

cb2insights

CBII: CSE CBIIF: OTCQB

REAL WORLD DATA. REAL WORLD INSIGHTS.

Optimizing Patient Health Outcomes through Real World Evidence

Corporate Presentation – Fall 2020
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Certain information included in this document contains forward-looking statements concerning CB2 Insights (“the Company”). These include, among others, statements with respect to the company’s goals, objectives and the strategies to achieve these. The words “may”, “will”, “could”, “should”, “suspect”, “outlook”, “anticipate”, “forecast”, “objective”, and words similar are intended to identify forward-looking statements.

By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, which give rise to the possibility that forecasts, projections and other forward-looking statements will not be achieved. Certain assumptions are applied and actual results may differ materially. The Company cautions readers not to place undue reliance on these statements, as a number of important factors, many of which are beyond the Company’s control, could cause actual results to differ materially.

Not-market-specific factors include, but are not limited to risks relating to general business, economic, competitive, political, regulatory and social uncertainties.

The foregoing list of factors that may affect future results is not exhaustive. When reviewing the Company’s forward-looking statements, readers should carefully consider the foregoing factors and other uncertainties and potential events.

This document contains future-oriented financial information and financial outlook information (collectively, “FOFI”) about the Company’s prospective results of operations, sales, revenues, funds flow, and components thereof, all of which are subject to the same assumptions, risk factors, limitations, and qualifications as set forth in the above paragraphs. FOFI contained in this document was made as of the date of this document and was provided for the purpose of providing further information about the Company’s future business operations.

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All currencies unless otherwise mentioned are in \$CAD.



Company Overview

The Company owns and operates a proprietary virtual telehealth platform, and a network of over **30 medical clinics** across **13 states** in the US, providing integrative, primary and urgent care services to over **110,000 patients** annually.

CB2 Insights is a healthcare services and technology company, building a National network of multi-disciplinary health centers across the US. Centered around a patients primary care needs, the Company will offer a wide variety of traditional primary care services, sub-specialties and allied health including access to laboratory and diagnostic testing through brick and mortar clinics and supported by proprietary technology and telemedicine.

The Company's mission is to offer accessible and affordable healthcare to millions of patients, focusing on improving patient health outcomes.

CLINICAL ASSETS

100% Wholly Owned US Clinics: **30+**

Number of US States: **13**

International Clinical Affiliations: **3**

Annual Registered Patients: **110k+**



DIGITAL ASSETS

Global Markets Served: **4**

Annual Patient Interactions: **200k+**

Total Data Points Collected: **2.5mm**

Telemedicine Consults in 2020: **20,000**



TEAM ASSETS

Number of Employees: **155**

Healthcare Providers: **50**

Founder Led: **Yes**

Founders Experience: **25+ Years**



Investment Highlights

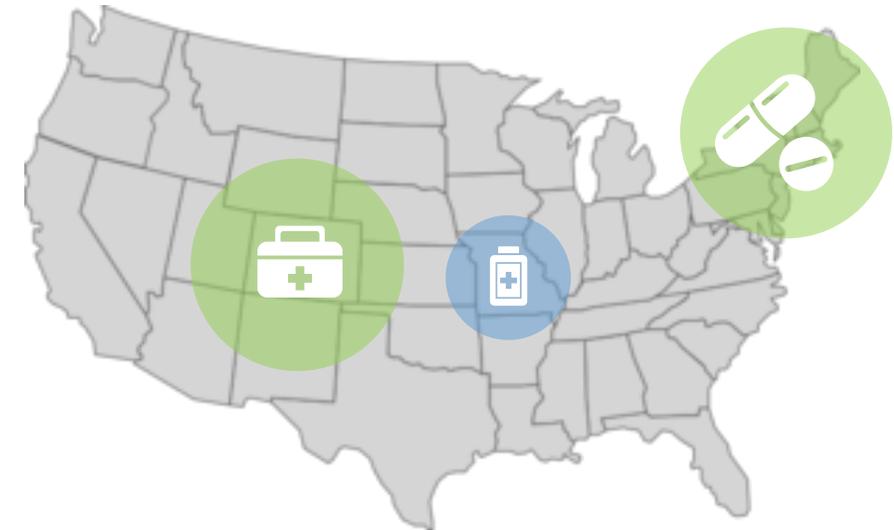
- CB2 owns and operates one of the **largest integrative health systems** in the **United States**
- 30+ clinics, with presence in 13 States with virtual telehealth overlay
- Improving the health of over **110,000 patients** annually
- Financial inflection point with **positive EBITDA** reached in Q2 2020 with **>\$3 million anticipated in 2021 exit**
- Recently completed an **over-subscribed** private placement of **\$5.13 million**
- Strong growth both **organically** and through **acquisition**
- Strong history of accretive acquisitions in a fragmented marketplace
- Attractive valuation trading at **5.8x 2020E EV/Revenue** with average peers at **20.2 2020E EV/Revenue** representing a **71% discount**
- Data as a compelling accretive component worth **>\$50 million** based on 100,000+ patients
- **\$18 billion** addressable market opportunity

Primary Focus: US Medical Services

The need for **disrupting** healthcare solutions that are patient centered in the US has never been more important as it is today!

Operating in the US market presents **unique opportunities** that are second to none:

1. Operating models in the US allow for re-investment of dollars towards patient care and not clinician compensation → results in more operating margins to scale, improve services to patients while achieving **attractive net margins**.
2. The complexity of the US healthcare payor system benefits the patients and providers who understand how best to structure and operate efficient clinical systems → **higher annual member spend** – average primary care patient spends between **\$500 - \$1000/year** on primary care services.
3. The dichotomy between insured and uninsured patients in the US creates niche opportunities for companies to success amidst competition → the US market has over 300 million patients and is a destination for most healthcare organizations.



CURRENT FOOTPRINT

Massachusetts
Rhode Island
Maine
Connecticut

Maryland
Delaware
Pennsylvania
New Jersey

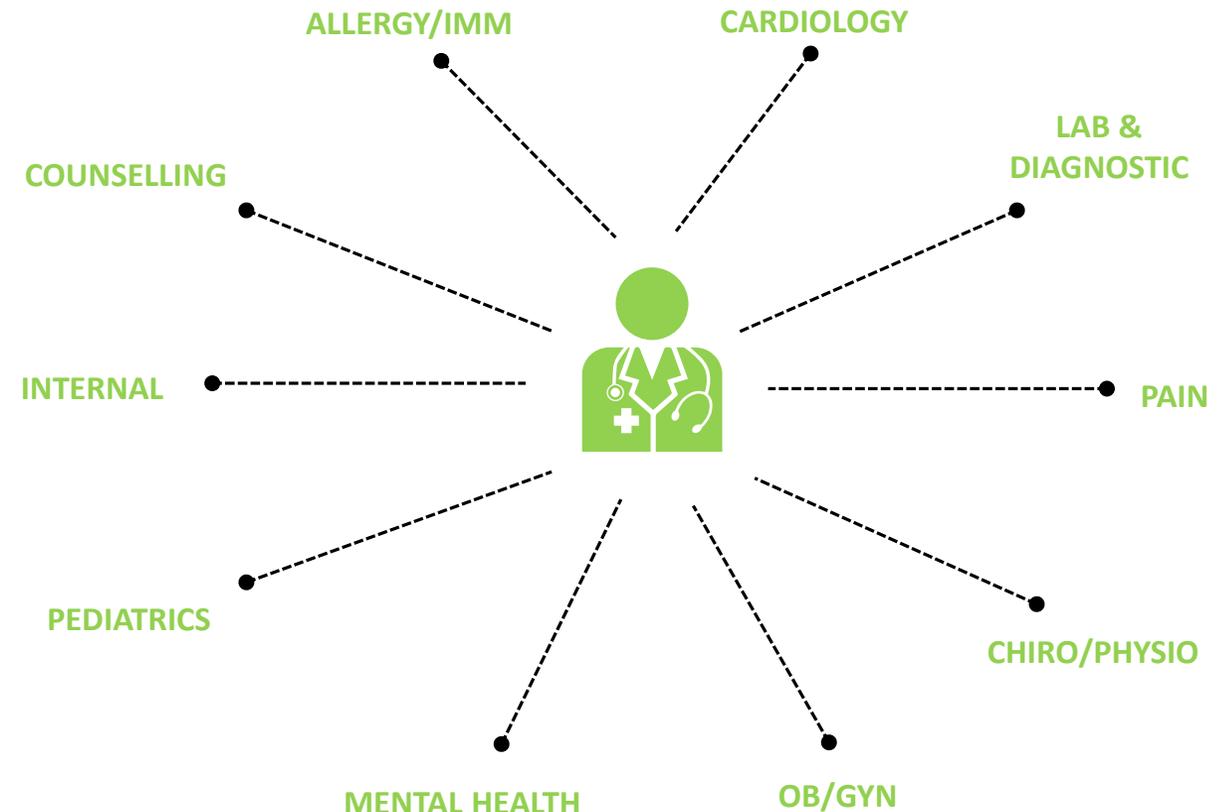
New York
Missouri
Illinois
Texas
Colorado

Our Thesis: Maximize Share of Services

With over **20+ years of experience in Clinical Practice Management** and operating Successful Multi-Disciplinary Clinics, our roadmap is experientially led and follows these simple principles:

1. The Primary Care physician is the **Gatekeeper** of all healthcare services
2. A **multi-disciplinary clinic** focuses on complimentary services built around the needs of a primary care patients
3. Patients experience a new type of healthcare where all their outpatient medical needs collaborate to help them under one roof
4. **Scale** your support services across offices and utilize telemedicine to bolster access
5. Maximize share of services and share of insurable revenue by complementing physical clinics with telemedicine offerings → **80/20 rule**

Although telemedicine serves 80% of patient services...in clinic services generate over 80% of the clinical revenue



Secondary Focus: Data Analytics & Research

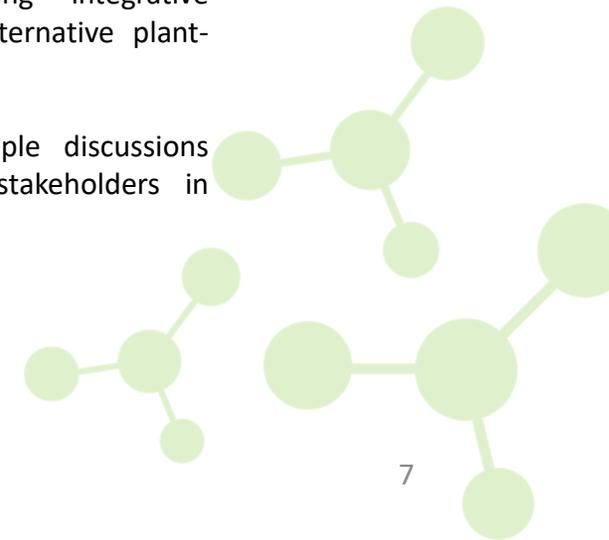
To support patient care and positive health outcomes, the Company is also focused on advancing safety and efficacy research surrounding alternative health treatments by monitoring and assessing real-world data (RWD) and providing real-world evidence (RWE) through our proprietary technology, data analytics, and a full service contract research organization.

TECHNOLOGY & DATA ANALYTICS: Making positive impacts to health outcomes through informed data driven insights

- The Company has designed, developed and acquired secure and compliant proprietary technology and digital assets which specialize in monitoring, assessing and evaluating patient treatment plans at the point of care
- The primary technology platform, Sail is a proprietary electronic database management and patient record platform designed to standardize and optimize the workflows and management of the Company's wholly-owned clinical operations

CONTRACT RESEARCH AND DEVELOPMENT: Expedited access to CB2's patient registry

- CB2 Insights has amassed one of the industry's largest patient registries seeking out and using integrative treatments, conventional medications and alternative plant-based medicines
- The Company is actively involved in multiple discussions with research organizations and industry stakeholders in the US



3-Pronged Growth Strategy

SAME SERVICE REVENUE GROWTH

- **Direct Primary Care (“DPC”)**: membership-based model generating affordable access to primary care services to patients → more than **47mm Americans** without proper access to affordable care
- **Insurable Services**: Contracted by Centers for Medicare and Medicaid Services (“CMS”) to provide fully insured services at little to no cost to patients who qualify → expected **\$6T in total National CMS spending by 2027**
- Initial patient base of 100K patients + expand to new patients outside the network + expand per member spend
- Increased investment in **digital marketing and lead generation** to target new patients

NEW SERVICES REVENUE BUILDING ON CURRENT INFRASTRUCTURE

- Increased market share in current markets by expanding on **telehealth and virtual care** to acquire new patients
- Recognizing strong **growth in new markets** as more US states see stronger need for **affordable** and **accessible** healthcare solutions powered by innovative technology
- Expansion of billable services to include other **sub-specialties** and **complementary** services to patients

ACQUISITIONS

- Highly fragmented industry with very few National players → targeting traditional primary care and urgent care clinics
- Immediate and low-cost access to new markets to enable significant economies of scale, and improve the overall profitability of the business (**profit margins of acquisition targets improved by over 20% in under 1 year**)
- Proven traction of 4 acquisitions leading to **accretive and immediate revenue and profitability**
- Pipeline of deals over **\$10mm in revenue** and **\$2mm in profits** priced at **0.3-0.75x revenue**

Mergers & Acquisitions Strategy

Currently in live due diligence of three deals with target prices of 0.3-0.75x revenue.

- Acquisition opportunities in the range of 0.3x to 0.75x revenue
- Many opportunities are profitable
- Most of the acquisition opportunities do not offer telemedicine
- Most of the acquisition opportunities are for insured services
- The acquisitions below are all providing insured services and do not provide either telemedicine or covid testing, both of which present significant upside to CB2

Acquisition Pipeline in DD Stage

State	Asking Price (\$USD)	Revenue (\$USD)	Profit (\$USD)	Type
Georgia	200,000	725,000	124,000	Pediatric
Texas	750,000	1,300,000	479,000	Primary Care
Washington	300,000	600,000	300,000	Primary Care

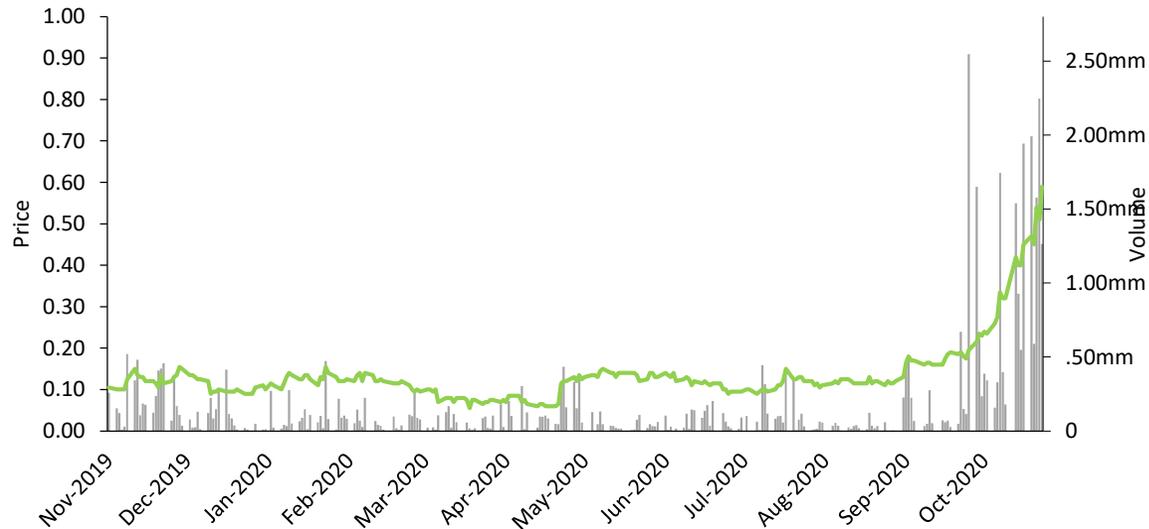
Acquisition Pipeline in Exploratory Stage

State	Asking Price (\$USD)	Revenue (\$USD)	Profit (\$USD)	Type
Wyoming	500,000	1,500,000	200,000	Primary/Urgent

Capital Markets

Market Cap (in MM)	\$78.6
Enterprise Value (in MM)	\$84.2
52 Week High/Low	\$0.63 / \$0.06
Current Share Price (10/26/2020)	\$0.59
Basic Shares Outstanding	136,804,116

Stock Chart

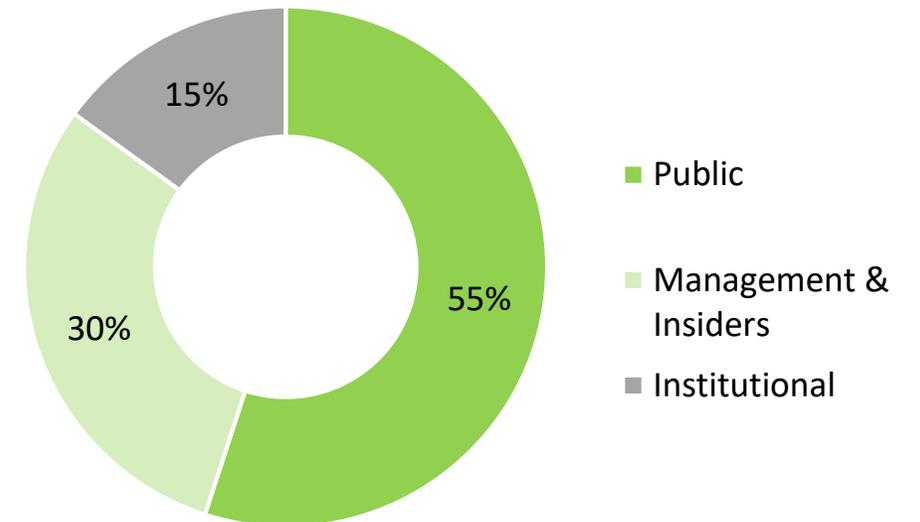


Sources: Capital IQ, as of October 23, 2020

Equity Research – Price Target

Mackie Research
Capital Corporation **\$1.10**

Ownership Summary



Public Comparables

CB2 trades at a material discount on both CY19 and CY20 Revenue bases.

Clinic Comparables

Companies	Ticker	Price*	Mkt. Cap.* (CAD mm)	EV (CAD mm)	Revenue CY19 (CAD mm)	Revenue CY20 (CAD mm)	EV/Revenue CY19	EV/Revenue CY20
Oak Street Health, Inc.	(NYSE:OSH)	69.11	\$16,646.2	\$17,233.0	\$731.7	\$1,117.5	23.6x	15.4x
1Life Healthcare, Inc.	(NasdaqGS:ONEM)	41.95	\$5,295.1	\$4,943.0	\$361.6	\$438.4	13.7x	11.3x
WELL Health Technologies Corp.	(TSX:WELL)	7.59	\$1,185.5	\$1,187.7	\$32.0	\$44.7	37.1x	26.6x
CloudMD Software & Services Inc.	(TSXV:DOC)	3.17	\$429.9	\$421.7	\$6.8	\$15.3	62.0x	27.7x
Jack Nathan Medical Corp.	(TSXV:JNH)	1.59	\$117.5	\$118.1	\$3.6	–	32.7x	NM
CB2 Insights Inc.	(CNSX:CBII)	0.59	\$78.6	\$84.2	\$13.4	\$14.4	6.3x	5.8x
Average		24.68	\$4,734.8	\$4,780.7	\$227.1	\$404.0	33.8x	20.2x
Median		7.59	\$1,185.5	\$1,187.7	\$32.0	\$241.6	32.7x	21.0x

Note:

*As of October 23, 2020

EV based on latest financials available on CapitalIQ, Revenue CY 2020 courtesy of Echelon Wealth

Exchange Rate: 1.31455 CAD/USD spot rate as of October 23, 2020

Management & Board of Directors

Management

Pradyum Sekar

CEO & Co-Founder

Over 15 years experience in Canadian Healthcare in technology, practice management and large multi-disciplinary health centers

Kash Qureshi

President & Co-Founder

Over 20 years experience in Canadian Healthcare in technology, wellness development practice management and commercial banking

Stephanie Gluchacki

President, Clinical Operations

Over 7 years in the US healthcare sector with multi-state management of medical clinics with a focus on governance, regulations and financial management

Raheel Lalani

VP Finance

Qualified CPA with over 12 years of progressive experience in accounting and finance across professional services, industry and public company environments. Formerly associated with one of the big 4 accounting firms.

Board of Directors

Pradyum Sekar

CEO & Co-Founder

Kash Qureshi

President & Co-Founder

Norton Singhavon

Chairman of the Board

Former founder and partner of Doventi Capital, extensive experience in capital markets, M&A, and consolidation

Marc Adelson

Independent Director

Deputy Legal Officer of Teladoc (NYSE:TDOC) – one of the largest global telemedicine platforms

Peter Cummins

Independent Director

Former J&J executive with leadership roles in R&D, innovation, regulatory affairs globally

Tom Brogan

Independent Director

Former founder of Brogan Consulting – now IQVIA (NYSE:IQV) \$11B global technology & research firm

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Thank you

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